



United States Department of State

Washington, D.C. 20520

February 6, 1987

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MEMORANDUM

TO: ARA - Elliott Abrams
FROM: ARA - Robert W. Kagan *RM*
SUBJECT: ARA/LPD Activities

ARA/LPD has been active in a number of areas during the first six weeks of 1987: two op-eds were written; officers have had a number of speaking engagements; the video projects are in production; and several writing projects are in the works.

Op-eds: T.J. Rose drafted the L.A. Times piece on the Sandinista constitution and the editorial for Cong. Molinari on his trip to Central America.

Speaking engagements: On January 21st, T.J. Rose debated Col. Ed King before a George Washington University audience of some 200 people; all reports are that he won the debate. He also spoke before an Accuracy in Media luncheon on February 2nd (see the attached Washington Times article) and the American Security Council Tuesday breakfast on February 3rd. T.J. gave an interview to WTKN-AM (Pittsburgh) on the 3rd, and he is scheduled for KLBJ Radio (Austin) on February 19th.

Other LPD speaking engagements included briefings by Dan Fisk, before the House Republican press assistants association, and by Peter Reilly at FSI. Peter also spoke in Madison, Wisconsin on January 13th. Steve Johnson is speaking in Colorado Springs and Denver tonight and tomorrow. During the next three weeks, Peter Reilly is scheduled to speak in Seattle, Dayton, Omaha, and at North Carolina State University in Raleigh.

Video: Steve Johnson has completed the script, continued to collect and review finished footage, and begun shooting needed footage for the video providing an overview of the situation in Central America. Next week, he will travel to Central America to film for both the overview video and the "who is the Nicaraguan resistance?" video.

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Publications: T.J. Rose is completing the draft on an LPD book specifically telling the story of the Sandinista constitution. (T.J. drafted the talking points cable on the constitution.) He is also completing the Latin leaders quote book, and is reworking the report on the Nicaraguan Interior Ministry (MINT). Peter Reilly has completed the report on Salvadoran guerrilla finances. ARA/LPD is also putting together talking points for a congressional briefing book on aid to the resistance. Antonia Greenman and T.J. Rose have been writing and updating the Nicaragua talking points.

Attachment:

Washington Times article.

Drafted by: DFisk
2/6/87, x6752
Document no. 0083s

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Sandinistas create a true banana republic

By James Morrison
THE WASHINGTON TIMES

Nicaragua has become a true banana republic instead of the workers' paradise promised by its Marxist Sandinista government.

The banana crop is the only major export that has increased dramatically since the overthrow of dictator Anastasio Somoza in 1979, said T.J. Rose, who spent the last two years as a political officer in the U.S. Embassy in Managua.

"The Sandinistas don't like to think of themselves as a banana republic. But that's exactly what they've turned the country into," he said.

Central American governments consider the term "banana republic" an insult because it describes a backward country relying on one export crop that virtually grows itself. It also reminds them of the days when foreign fruit companies wielded significant control over their economies.

Mr. Rose, a career Foreign Serv-

ice officer now working in the State Department's Office of Public Diplomacy, quoted statistics from the Sandinista Ministry of Foreign Trade that showed Nicaragua's export earnings from bananas have increased to \$12.5 million last year from only \$4.8 million in 1978, during the last full year of the Somoza dictatorship.

The country's two other major export crops have declined. Cotton dropped from \$140 million in 1978 to \$40 million in 1986. During the same period, coffee fell from \$196 million to \$110 million.

It is not clear whether the export earnings are hard cash or some sort of barter arrangement to pay for massive amounts of Soviet and East Bloc arms, Mr. Rose said.

In Nicaragua, the Sandinistas have mobilized an army of civil servants and foreign sympathizers to help harvest this year's coffee crop. They confidently predict it will net \$150 million and represent half of the country's exports.

About 320 government workers,

carrying Soviet AK-47 rifles and wearing green military fatigues, work beside local peasants in the northern province of Jinotega in what is known there as the "coffee battle."

Also five "brigades" of Americans sent by an unidentified New York-based Sandinista support group have joined the coffee harvest, according to news reports from Nicaragua.

The coffee harvest is a potential military target, according to a warning from Nicaragua's anti-communist resistance. Over rebel Radio Liberacion, the resistance said foreigners and Nicaraguans "who agree to pick coffee in war zones" are risking their lives:

In Washington this week, Mr. Rose told the media watchdog group Accuracy In Media about the bleak picture of revolutionary Nicaragua — where toilet paper is a luxury item, where political dissent is violently repressed, where labor unions nevertheless continue to protest the Sandinistas' economic policies and

where health care remains dangerously inadequate.

"I've lived the revolutionary experience," Mr. Rose said. "It's not the reality that the Sandinistas see and certainly not the reality that most Nicaraguans see."

He said internal dissatisfaction is growing. More than 2,000 people protested when secret service agents tried to arrest peasant merchants in Leon last November for selling goods without a government license. About 5,000 political opponents demonstrated on Jan. 9 against the new Sandinista constitution, shouting "Democracy, yes. Communism, no."

On Jan. 17, more than 270 vendors rioted when Sandinista inspectors raided a market looking for unlicensed merchants. The Sandinista Party newspaper, Barricada, described the uprising as "very violent" and reported at least one official killed, Mr. Rose said.

"Things are getting worse on all levels," he said.